

## State of Utah

DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER
Executive Director

Division of Oil, Gas and Mining

JOHN R. BAZA
Division Director

May 13, 2014

Certified Return Receipt 7011 2970 0001 8828 9807

Great American Insurance Company 301 East 4<sup>th</sup> Street Cincinnati, Ohio 45202

Subject: Cancellation of Surety Bond
San Pete County, Utah

Christensen Ready Mix, Fox Mine, S/039/0034,

Dear Sir or Madame:

The Utah Division of Oil, Gas and Mining (Division) received your letter dated April 23, 2014, regarding cancellation of surety bond in the amount of \$30,000.00 effective 90 days from the Division's receipt of your letter. The Division received the letter May 9, 2014; 90 days from that date is August 7, 2014. The mine operator, Christensen Ready Mix, is being advised that a replacement surety must be provided by July 8, 2014.

Under the terms of the above referenced surety bond, Great American Insurance Company remains liable for reclamation of the existing disturbance. If the surety is not replaced by July 8, 2014, the Division will immediately issue a cessation order to Christensen Ready Mix and demand that it commence reclamation. Failure of the operator to reclaim the mine within 30 days of issuance of the cessation order may result in the Division making demand on Great American Insurance Company to either proceed with reclamation or to pay to the Division the amount of the bond. If Great American Insurance Company fails to complete reclamation or make payment as requested, the Division may proceed to file a Request for Agency Action with the Board of Oil, Gas and Mining to seek forfeiture of the bond.

Please confirm that you remain responsible as surety for the reclamation of the existing disturbance. We also ask that you advise the Division immediately if there is any reason or if any conditions arise that may preclude you from continuing as surety for reclamation of the existing disturbance.



Page 2 of 2 Great American Insurance Company S/039/0034 May 13, 2014

Thank you for your cooperation. Please feel free to call me at 801-538-5261 or the Minerals Program bonding coordinator, Penny Berry, at 801-538-5291 if you have questions about this letter.

Sincerely,

Paul Baker

Minerals Program Manager

PBB:pb

Enclosure Letter to operator dated May 13, 2014 and copy of surety

Cc: Darin Christensen, Christensen Ready Mix P:\GROUPS\MINERALS\WP\M039-Sanpete\S0390034-FoxMine\final\cancel-surety-05132014.doc